



BRIEFING SHEET

[Report 19-5](#)
May 2019State Auditor
[Joe Chrisman](#)**University of Wisconsin System
Fiscal Year 2017-18****Background**

The University of Wisconsin (UW) System provides postsecondary academic education for approximately 171,000 students and consists of 13 four-year universities, 13 two-year branch campuses associated with a university, and UW System Administration, which consists of the UW System President's staff. UW System is governed by an 18-member Board of Regents.

We conducted a financial audit of UW System and assessed selected aspects of UW System's financial management and financial operations, including tuition revenue, program revenue balances, and personnel systems. In addition, we followed up on the status of recommendations we made in report 18-4, Relationships between the University of Wisconsin and Certain Affiliated Organizations.

Key Findings

During our audit, we found:

- Total tuition revenue increased from \$933.4 million in FY 2008-09 to \$1.3 billion in FY 2017-18, or by \$382.6 million. Of this increase, \$150.9 million, or 39.4 percent, is attributed to tuition paid by nonresident students.
- From academic year 2008-09 to academic year 2017-18, nonresident enrollment increased by 10,558 students and resident enrollment decreased by 12,881 students.
- On a budgetary basis, UW System's unrestricted program revenue balances increased from \$851.6 million as of June 30, 2017, to \$906.9 million as of June 30, 2018, or by \$55.3 million.
- Over the past ten years, UW-Oshkosh has increased housing rates despite having an available program revenue balance of \$7.0 million that could have been used to offset or avoid room rate increases.
- UW System did not ensure appropriate policies and guidelines were established for some areas of its new personnel systems.
- UW System took some steps but did not complete implementation of all of the recommendations from report 18-4.
- UW System implemented an administrative policy requiring UW institutions to annually prepare a cost-benefit report. The administrative policy did not address how the cost-benefit reports will be evaluated by UW System Administration nor did it specify what information, if any, will be formally reported to the Board of Regents.

Key Recommendations

We make recommendations for UW System to improve administration of program revenue balances, develop or revise policies and guidelines for its new personnel systems, and improve oversight and monitoring of its relationships with all affiliated organizations.

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